

Waivers	First Name	Last Name	Claim Number
			W-18-0001
Amount	OGC Received Date	Assigned To	Assigned Date
\$10261.92	02/28/2018	Redden, Kenneth	02/28/2018
EPA Decision	EPA Decision Date	Amount Approved	Status
DENIED	01/24/2020	CLOSED	
Appeal	Comments		
No	8-8-19 Re-assigning from Lucille Liem to Ken Redden		
Type			
Federal Employee Health Benefits (FEHB)			

Attachments

From: Redden, Kenneth
 Sent: Friday, January 24, 2020 10:02 AM
 To: [REDACTED]
 Cc: Sisson, Ann <Sisson.Ann@epa.gov>; Stewart, Leonice <Stewart.Leonice@epa.gov>; Church, Stacey <Church.Stacey@epa.gov>; Lavergne, Dany <lavergne.dany@epa.gov>; Tammy Johnson <tammy_johnson@ibc.doi.gov>
 Subject: Decision on Waiver of Indebtedness Application (W-18-0001)

[REDACTED]:

This email is in response to your "Waiver of Indebtedness Application" (W-18-0001) dated February 24, 2018, wherein you have requested approval of a waiver of debt in the amount of \$10,261.92. For the reasons set forth below, your request for a waiver is denied.

Background

Due to a change in jobs during the 2016 open season enrollment period, you signed up for family coverage through the Agency with Blue Cross Blue Shield, Enrollment Code 105. After having the effective date corrected from 01/10/16 to 12/14/15, you proceeded to regularly utilize your family health insurance coverage for close to two years without any problem. Unfortunately, for unknown reasons, the corresponding deduction from your paycheck for family health insurance coverage did not occur. This was the case despite the fact that deductions for your Flexible Healthcare Spending and Dependent Care Spending accounts and eventually your supplemental Dental and Vision health insurance did occur.

The failure by the Agency to properly deduct your premiums for family coverage was only rectified after you were contacted by Blue Cross Blue Shield in August of 2017 and you subsequently alerted the Agency. In

September of 2017, the Agency then began deducting the correct amount from your paycheck and the Interior Business Center issued you a Bill for Collection (Debt ID #72690258596) dated 09/25/17 in the amount of \$10,261.92.

In response to the Bill for Collection, you submitted a Waiver of Indebtedness Application dated February 24, 2018.

Analysis

Under 5 U.S.C. § 5584, I have the authority to waive claims for overpayments of compensation and allowances if collection would be against equity and good conscience and not in the best interests of the United States. "Such authority may not be exercised if there is an indication of fraud, misrepresentation, fault, or lack of good faith on the part of the employee or any other person having an interest in obtaining a waiver of the claim." B-231018 (August 2, 1989). In the present case, I find that the overpayments were caused by Agency administrative error and not due to fraud or misrepresentation on your part.

Generally, an employee who knows or reasonably should have known that he or she was overpaid should be prepared to repay the debt and it is not against equity and good conscience to collect. B-227322 (September 19, 1988). The employee is generally deemed to be at fault in those situations. B-271308 (April 18, 1996).

The next question is whether you were aware or should have suspected a pay error based upon information available to you. Generally, "if an employee has records which, if reviewed, would indicate an overpayment, and the employee fails to review such documents for accuracy or otherwise fails to take corrective action, then the employee is not without fault and waiver will be denied." B-231018 (August 2, 1989).

I have reviewed the two Earnings and Leave Statements you submitted for Pay Periods 18 and 19 of 2017. A deduction for your health insurance premium is clearly missing in your statement for Pay Period 18. This is in stark contrast to the statement for Pay Period 19 where a deduction of \$254.23 is clearly present for your health insurance premium.

In determining whether an employee's actions are reasonable with regard to an overpayment, I may examine such matters as the employee's position, knowledge, experience and length of service. B-22383 (October 10, 1986). At the time of the erroneous payment you had been an EPA employee for approximately 17 years. It is my view that your experience as a Federal employee would have caused a reasonable person to carefully scrutinize all

documents pertaining to pay.

I therefore conclude that you should have realized the error in question as it was apparent in your statements. Employees who are aware of receiving erroneous overpayments not only have a responsibility to notify responsible agency officials, but also should “be prepared to make repayment upon correction of the error; the employee cannot reasonably expect to retain the overpayments.” B- 256828 (August 2, 1994) citing B 234731 (June 19, 1989); B 227322 (Sept. 19, 1988).

Based on the discussion above, I find that it is not against equity and good conscience to collect the \$10,261.92 that your Bill for Collection states that you owe. Accordingly, your waiver request is denied.

I trust this email is responsive to your claim, and I am sorry a more favorable reply cannot be made. Under 40 C.F.R. part 13.11(e)(iii), I have the delegated authority to waive all or part of the interest, penalty, and administrative charges which have accrued on this debt. In this regard, I am directing that EPA waive any portion that may have accrued that is attributable to interest, penalty, and administrative charges.

By copy of this email to Leonice Stewart in EPA’s Washington Finance Center, I am advising that collection of this debt should proceed consistent with this email. You have the right to request reconsideration of the denial of the claim. In a request for reconsideration, you must present new factual information that might cause the Claims Officer to overturn the prior decision.

Please be advised that a waiver is one of several options for debtors. EPA will notify you of the opportunity to request a compromise, suspension, or termination of your debt based on factors that include inability to pay.